



General Assembly

**Amendment**

February Session, 2012

LCO No. 5355

**\*SB0022505355SD0\***

Offered by:

SEN. LEBEAU, 3<sup>rd</sup> Dist.  
SEN. FONFARA, 1<sup>st</sup> Dist.  
SEN. MCKINNEY, 28<sup>th</sup> Dist.  
SEN. FASANO, 34<sup>th</sup> Dist.

SEN. BOUCHER, 26<sup>th</sup> Dist.  
SEN. MCLACHLAN, 24<sup>th</sup> Dist.  
SEN. RORABACK, 30<sup>th</sup> Dist.  
REP. CARTER, 2<sup>nd</sup> Dist.

To: Subst. Senate Bill No. 225

File No. 199

Cal. No. 176

**"AN ACT AUTHORIZING AN UPDATED ADVANCED  
COMMUNICATIONS TECHNOLOGY STUDY."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Subsection (f) of section 16a-3d of the 2012 supplement to  
4 the general statutes is repealed and the following is substituted in lieu  
5 thereof (*Effective from passage*):

6 (f) All [electric distribution companies'] reasonable costs associated  
7 with the development of the [resource assessment] comprehensive  
8 energy plan approved by the commissioner shall be recoverable  
9 through [the systems benefits charge] an assessment pursuant to  
10 section 16-49. All electric distribution companies' reasonable costs  
11 associated with the development of said plan, if any, shall be  
12 recoverable through a reconciling, nonbypassable component of

13 electric rates as determined by the authority.

14 Sec. 2. Subsection (g) of section 16a-3a of the 2012 supplement to the  
15 general statutes is repealed and the following is substituted in lieu  
16 thereof (*Effective from passage*):

17 (g) All reasonable costs associated with the development of the  
18 resource assessment, [and the development of] the integrated  
19 resources plan, adopted pursuant to this section, and the procurement  
20 plan, adopted pursuant to section 16-244m, shall be recoverable  
21 through the assessment in section 16-49. All electric distribution  
22 companies' reasonable costs associated with the development of said  
23 plan, if any, shall be recoverable through a reconciling, nonbypassable  
24 component of electric rates as determined by the authority.

25 Sec. 3. Subsection (e) of section 16-244t of the 2012 supplement to the  
26 general statutes is repealed and the following is substituted in lieu  
27 thereof (*Effective from passage*):

28 (e) An electric distribution company shall be entitled to recover its  
29 reasonable costs and fees prudently incurred through compliance with  
30 its approved procurement plan through a reconciling, nonbypassable  
31 component of electric rates as determined by the authority. Nothing in  
32 this section shall preclude the resale or other disposition of energy or  
33 associated renewable energy credits purchased by the electric  
34 distribution company, provided the distribution company shall net the  
35 cost of payments made to projects under the contracts against the  
36 proceeds of the sale of energy or renewable energy credits and the  
37 difference shall be credited or charged to distribution customers  
38 through a reconciling component of electric rates as determined by the  
39 authority that is nonbypassable when switching electric suppliers.

40 Sec. 4. Subparagraph (A) of subdivision (1) of subsection (a) of  
41 section 16-50p of the general statutes is repealed and the following is  
42 substituted in lieu thereof (*Effective July 1, 2012*):

43 (A) Not later than twelve months after the deadline for filing an

44 application following the request for proposal process for a facility  
45 described in subdivision (1) or (2) of subsection (a) of section 16-50i or  
46 subdivision (4) of [said] subsection (a) of section 16-50i if the  
47 application was incorporated in an application concerning a facility  
48 described in subdivision (1) of [said] subsection (a) of section 16-50i,  
49 provided if the Connecticut Energy Advisory Board votes not to issue  
50 a request for proposal, the council's decision shall be rendered not later  
51 than twelve months from the date of such vote and the council may  
52 extend such period by up to one hundred eighty days with the consent  
53 of the applicant;

54 Sec. 5. (*Effective from passage*) The Public Utilities Regulatory  
55 Authority shall initiate a docket to identify measures to promote water  
56 conservation in the state. On or before January 1, 2013, the authority  
57 shall submit a report, in accordance with the provisions of section 11-  
58 4a of the general statutes, to the joint standing committee of the  
59 General Assembly having cognizance of matters relating to energy of  
60 the findings of such docket, including any recommended legislative  
61 changes necessary to implement such measures.

62 Sec. 6. Subsection (i) of section 16-262w of the general statutes is  
63 repealed and the following is substituted in lieu thereof (*Effective from*  
64 *passage*):

65 (i) The amount of the WICA applied between general rate case  
66 filings shall not exceed [seven and one-half] ten per cent of the water  
67 company's annual retail water revenues approved in its most recent  
68 rate filing, and shall not exceed five per cent of such revenues for any  
69 twelve-month period. The amount of the adjustment shall be reset to  
70 zero as of the effective date of new base rates approved pursuant to  
71 section 16-19 and shall be reset to zero if the company exceeds the  
72 allowable rate of return by more than one hundred basis points for any  
73 calendar year.

74 Sec. 7. Section 16-244u of the 2012 supplement to the general  
75 statutes is repealed and the following is substituted in lieu thereof

76 (Effective July 1, 2012):

77 (a) As used in this section:

78 (1) "Beneficial account" means an in-state [retail] end user of an  
79 electric distribution company designated by a customer host in such  
80 electric distribution company's service area to receive virtual net  
81 metering credits from a virtual net metering facility;

82 (2) "Customer host" means an in-state [retail] end user of an electric  
83 distribution company that (A) owns or leases a virtual net metering  
84 facility or enters into a purchase power agreement with the owner of a  
85 virtual net metering facility, and (B) participates in virtual net  
86 metering;

87 (3) "Unassigned virtual net metering credit" means in any given  
88 electric distribution company monthly billing period, a virtual net  
89 metering credit that remains after both the customer host and its  
90 beneficial accounts have been billed for zero kilowatt hours related  
91 solely to the generation service charges on such billings through  
92 virtual net metering;

93 (4) "Virtual net metering" means the process of combining the  
94 electric meter readings and billings, including any virtual net metering  
95 credits, for a customer host and a beneficial account through an electric  
96 distribution company billing process related solely to the generation  
97 service charges on such billings;

98 (5) "Virtual net metering credit" means a credit equal to the retail  
99 cost per kilowatt hour the customer host may have otherwise been  
100 charged for each kilowatt hour produced by a virtual net metering  
101 facility that exceeds the total amount of kilowatt hours used during an  
102 electric distribution company monthly billing period; [and]

103 (6) "Virtual net metering facility" means a Class I renewable energy  
104 source that: (A) Is [served by an] connected to the electric distribution  
105 [company] system; (B) (i) is owned or leased by a customer host or is

106 the subject of a purchase power agreement between the owner of such  
107 Class I renewable energy source and a customer host, and (ii) serves  
108 the electricity needs of the customer host and its beneficial accounts;  
109 [(B)] (C) is within the same electric distribution company service  
110 territory as the customer host and its beneficial accounts; and [(C)] (D)  
111 has a nameplate capacity rating of two megawatts or less; and

112 (7) "Governmental customer" or "governmental customer host"  
113 means the state, or any political subdivision thereof, or any  
114 municipality.

115 (b) Each electric distribution company shall provide virtual net  
116 metering to its [municipal] governmental customers and shall make  
117 any necessary interconnections for a virtual net metering facility. Upon  
118 request by a [municipal] governmental customer host to implement  
119 the provisions of this section, an electric distribution company shall  
120 install metering equipment, if necessary. For each [municipal]  
121 governmental customer host, such metering equipment shall (1)  
122 measure electricity consumed from the electric distribution company's  
123 facilities; (2) deduct the amount of electricity produced but not  
124 consumed; and (3) register, for each monthly billing period, the net  
125 amount of electricity produced and, if applicable, consumed. If, in a  
126 given monthly billing period, a [municipal] governmental customer  
127 host supplies more electricity to the electric distribution system than  
128 the electric distribution company delivers to the [municipal]  
129 governmental customer host, the electric distribution company shall  
130 bill the [municipal] governmental customer host for zero kilowatt  
131 hours of generation and assign a virtual net metering credit to the  
132 [municipal] governmental customer host's beneficial accounts for the  
133 next monthly billing period. Such credit shall be applied against the  
134 generation service component of the beneficial account. Such credit  
135 shall be allocated among such accounts in proportion to their  
136 consumption for the previous twelve billing periods.

137 (c) An electric distribution company shall carry forward any  
138 unassigned virtual net metering generation credits earned by the

139 [municipal] governmental customer host from one monthly billing  
 140 period to the next until the end of the calendar year. At the end of each  
 141 calendar year, the electric distribution company shall compensate the  
 142 [municipal] governmental customer host for any unassigned virtual  
 143 net metering generation credits at the rate the electric distribution  
 144 company pays for power procured to supply standard service  
 145 customers pursuant to section 16-244c, as amended by this act.

146 (d) At least sixty days before a [municipal] governmental customer  
 147 host's virtual net metering facility becomes operational, the  
 148 [municipal] governmental customer host shall provide written notice  
 149 to the electric distribution company of its beneficial accounts. The  
 150 [municipal] governmental customer host may change its list of  
 151 beneficial accounts not more than once annually by providing another  
 152 sixty days' written notice. The [municipal] governmental customer  
 153 host shall not designate more than five beneficial accounts.

154 (e) On or before February 1, 2012, the Department of Energy and  
 155 Environmental Protection shall conduct a proceeding to develop the  
 156 administrative processes and program specifications, including, but  
 157 not limited to, a cap of one million dollars per year apportioned to  
 158 each electric distribution company based on consumer load for credits  
 159 provided to beneficial accounts pursuant to subsection (c) of this  
 160 section and payments made pursuant to subsection (d) of this section.

161 (f) On or before January 1, 2013, and annually thereafter, each  
 162 electric distribution company shall report to the department on the  
 163 cost of its virtual net metering program pursuant to this section and  
 164 the department shall combine such information and report it annually,  
 165 in accordance with the provisions of section 11-4a, to the joint standing  
 166 committee of the General Assembly having cognizance of matters  
 167 relating to energy."

This act shall take effect as follows and shall amend the following sections:		
Section 1	from passage	16a-3d(f)

Sec. 2	<i>from passage</i>	16a-3a(g)
Sec. 3	<i>from passage</i>	16-244t(e)
Sec. 4	<i>July 1, 2012</i>	16-50p(a)(1)(A)
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	16-262w(i)
Sec. 7	<i>July 1, 2012</i>	16-244u